

AmeriTitle
NTC 11/31/16 9:28 AM

Stearns Lending, LLC
4 Hutton Centre Drive, 10th Floor
Santa Ana, CA 92707

2016-012587
Klamath County, Oregon
11/23/2016 03:43:01 PM
Fee: \$82.00

ASSUMPTION AGREEMENT (WITH RELEASE OF LIABILITY)

THIS ASSUMPTION AGREEMENT ("Agreement") is made and entered in as of November 4, 2016, by and among **BRIAN E. STROUP AND KIMBERLY E. STROUP** (individually and collectively "Transferor"), **CARRIE RENAE DEBOER** (individually and collectively, "Transferee"), and Stearns Lending, LLC, a California limited liability company ("Stearns").

RECITALS

A. Stearns is the owner and holder of a certain indebtedness evidenced by a promissory note dated **March 3, 2014**, (the "Note"), in the original principal amount of **ONE HUNDRED FIFTY THOUSAND SEVEN HUNDRED NINETY FIVE and 00/100 Dollars (\$150,795.00)**, payable as specified in the Note, executed by Transferor. The Note is secured by a Deed of Trust dated as of the date of the Note (the "Deed of Trust"), executed by Transferors, and recorded on **March 10, 2014**, as Instrument Number **2014-002009** in the Official Records of the Recorder's Office of Klamath County, Oregon encumbering the real property described in the Deed of Trust and commonly referred to as **4702 SUMMERS LANE, KLAMATH FALLS, OR, 97603** (the "Property"). The Note, the Deed of Trust and all other documents, instruments and agreements executed by the Transferor concurrently or in connection therewith (collectively, the "Loan Documents") are incorporated in and made a part of this Agreement as if set forth in full in this Agreement.

B. Transferor and Transferee acknowledge that Stearns is holder of the Note, and understand that the Note may be transferred. The current holder of the Note, and any subsequent note holder who takes the Note by transfer and who is entitled to receive payments under the Note, is referred to in this Agreement as the "Noteholder."

C. Transferee has recently acquired or is about to acquire title to the Property from Transferor in one or more contemporaneous transactions, and in connection therewith Transferee desires to assume Transferor's obligations under the Note, the Deed of Trust and all other Loan Documents.

D. Transferor and Transferee have requested that Stearns consent to the transfer of title to the Property. Stearns is willing to consent to the transfer, but only on the terms and conditions set forth below.

AGREEMENT

In consideration of the foregoing recitals, conveyance of the Property via the Grant Deed and bargain of sale or other deed of conveyance pursuant to which Transferor transferred or transfers title to the Property to Transferee (the "Grant Deed"), and of the mutual covenants contained in this Agreement, the parties agree as follows:

1. **Assumption of Obligations.** Each Transferee (i) jointly and severally assumes and agrees to pay and perform all the obligations of the Transferor under the Note, the Deed of Trust, and the other Loan Documents, whether accruing prior to, on, or after the date of this Agreement, and further agrees that Transferee shall be bound by all the terms, provisions and conditions contained in the

Note, the Deed of Trust, and other Loan Documents as though the same had been originally made, executed and delivered to Stearns by Transferee, and (ii) reaffirms and restates all of the representations, warranties, covenants and indemnities of Transferor contained in the Note, Deed of Trust, and other Loan Documents with the same force and effect as if each were separately stated in and made as of the date of this Agreement.

2. **Sums Due.** Transferor and Transferee acknowledge and agree that the unpaid principal balance of the Note, and other sums due under the Note and Deed of Trust, are as set forth on Exhibit 1 as of the date set forth in Exhibit 1. Transferor and Transferee further acknowledge and agree that additional sums may become due under the Note and Deed of Trust between the dates each executes this Agreement and the effective date of this Agreement, as that term is defined in Article 9.
3. **Assumption of Default Obligations.** Transferee acknowledges and agrees that if there is any existing default by Transferor under the Note and Deed of Trust, Transferee becomes obligated to cure those defaults by assuming Transferor's obligations under the Note and Deed of Trust.
4. **Stearns's Consent to Waiver.** Stearns consents to the transfer of title of the Property to Transferee as of the Effective Date of this Agreement (as defined in Article 9), and waives any right Stearns might have under the terms of Paragraph 18 of the Deed of Trust to prohibit it or restrict such transfer. Stearns's consent and waiver to the transaction shall not be deemed to be a waiver of Stearns's right to require its consent to future or successive transactions.
5. **Release of Transferor.** As of the Effective Date (as defined in Article 9), Bank releases Transferor from any and all liabilities and obligations under the Note, the Deed of Trust, and other Loan Documents, and agrees that Stearns will not institute any actions, suit, claim or demand in law or equity against Transferor for or on account of Transferor's personal liability and responsibility to repay the indebtedness evidenced by the Note.
6. **Relinquishment of Transferor's Rights.** Transferor agrees that Transferor shall have no further rights under the Note, Deed of Trust, or any other Loan Documents, including but not limited to any rights to any loan funds still to be disbursed thereunder, and all such rights are terminated as of the date of this Agreement. Transferor further agrees that, from and after the Effective Date, (i) Transferee shall have the full, sole and absolute right, power and authority to extend, renew, amend or otherwise modify the Note, Deed of Trust, and other Loan Documents, and (ii) Noteholder may renew, extend, amend, compromise or otherwise modify the Note, Deed of Trust, and other Loan Documents, or accelerate the indebtedness evidenced thereby.
7. **Transfer of Funds and Rights to Transferee.** Transferor assigns and transfers to Transferee all rights, title and interest in and to any funds on deposit with Stearns for payment of taxes, insurance premiums, homeowner association dues, and any applicable funds relating to same, including without limitation all refunds and credits that may at any time accrue under the Deed of Trust. Transferor further agrees that if the prepayment of the Note requires a refund of a portion of the interest previously collected in order to comply with applicable laws, Transferor assigns and transfers to Transferee any and all right and interest in and to the refund, and authorizes Noteholder to pay or credit the refund to Transferee.
8. **Transfer of Insurance Proceeds to Stearns.** Transferor assigns and transfers to Stearns all of Transferor's rights, title and interest in and to any interest in insurance proceeds relating to the Property, and Transferor acknowledges and agrees to that assignment and transfer.

9. **Conditions Precedent; Effective Date.** Stearns's consent, waiver and release set forth in this Agreement shall not be effective until Stearns has received, on Stearns's standard forms or otherwise in a form and substance satisfactory to Stearns, each of the following (the final date upon which all of the following are satisfied shall be referred to as the "Effective Date"):
- (a) Counterpart originals of this Agreement executed by all parties;
 - (b) A copy of the Grant Deed duly executed, notarized and recorded in the Official Records of the Recorder's Office of Klamath County, Oregon, which copy shall be certified by the applicable Recorder's Office as a true and correct copy of the original recorded Grant Deed;
 - (c) Evidence that Transferor and Transferee have caused the title company that issued the existing policy of title insurance insuring the priority, validity and enforceability of Stearns's lien of the Deed of Trust to issue in Stearns's favor an ALTA assumption endorsement (or an equivalent endorsement acceptable to Stearns) insuring that the transfer of the Property from Transferor to Transferee does not and will not affect the priority, validity or enforceability of the lien of the Deed of Trust;
 - (d) If Transferor or Transferee is a revocable trust, a Trust Certification, duly executed by the currently acting trustee(s) of the Trust, authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereunder;
 - (e) Payment of all costs and expenses (including, without limitation appraisal, legal and title expenses), if any, incurred by Stearns in connection with the negotiation, documentation and closing of the transaction contemplated by this Agreement; In consideration of Stearns's consenting to the conveyance of the Property to Transferee, Stearns is entitled to, and has earned, an assumption fee in the amount of \$300. This assumption fee shall be due and payable upon the execution and delivery of this Agreement;
 - (f) Evidence satisfactory to Stearns of Transferee's hazard insurance (and any flood insurance that is now or hereafter required by the Noteholder or by applicable law) covering the Property; and
 - (g) Such other documents, instruments and agreements as Stearns may reasonably require in order to effect fully the purposes of this Agreement.
10. **Continuing Force and Effect; No Satisfaction or Novation.** Transferee agrees that, except as specifically modified by this Agreement, all terms and provisions of the Note, Deed of Trust, and other Loan Documents are and shall remain in full force and effect, and are hereby ratified and reaffirmed by Transferee. If there is any inconsistency between this Agreement and the terms of the Note, Deed of Trust, or other Loan Documents, the terms of this Agreement shall govern. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Deed of Trust. Any default by Transferee in the performance of Transferee's obligations set forth in this Agreement shall constitute a default under the Note, Deed of Trust and other Loan Documents, in which case Noteholder may exercise all of its remedies set forth in the Note, Deed of Trust and other Loan Documents. Stearns does not, by its execution of this Agreement, waive any rights it or any subsequent Noteholder may have against any person not a party to this Agreement.

11. **Warranties and Representations.** Transferor and Transferee each represents, warrants and covenants that it does not have any defenses or rights of set-off against Stearns or against the payment, collection or enforcement of the indebtedness evidenced by the Note and secured by the Deed of Trust. Transferor and Transferee further represent, warrant and covenant as follows:
- (a) Each Transferor and Transferee represents, warrants and covenants that Transferor and Transferee, respectively, have done no acts nor omitted to do any act which might prevent Noteholder from, or limit Noteholder in, acting upon or under any of the provisions in this Agreement, the Note, the Deed of Trust, or any other Loan Documents; and
 - (b) Transferee represents, warrants and covenants that all financial statements Transferee provided to Stearns, if any, are true and correct in all respects, fairly present Transferee's financial condition as of the dates of the financial statements and no material adverse change has occurred that would affect Transferee's ability to repay the indebtedness evidenced by the Note and secured by the Deed of Trust.
12. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of, as the case may be, the parties as well as their respective heirs, executors, administrators, successors and assigns. Neither Transferor nor Transferee may assign either this Agreement or any of its rights, interests or obligations under this Agreement without the prior written approval of Noteholder, in accordance with the terms of the Note, Deed of Trust and other Loan Documents.
13. **Entire Agreement.** This Agreement constitutes the entire understanding between and among the parties with respect to the subject matter of this Agreement, superseding all prior written or oral understanding or communications. This Agreement may not be amended or modified, except by a written agreement signed by Noteholder, Transferor and Transferee.
14. **Partial Invalidity.** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.
15. **Attorney Review.** Each party acknowledges and agrees that he, she or it has been given the opportunity to independently review this Agreement with legal counsel, and no provision in this Agreement shall be interpreted either for or against any party, by virtue of any party or any attorney of any party having drafted such language or provision.
16. **Attorney Fees.** If any action is brought to interpret this Agreement, the prevailing shall be entitled to recover all costs incurred, including without limitation, reasonable attorney fees through all trials, appeals, and proceedings, to include, without limitation, any proceedings pursuant to the Bankruptcy laws of the United States and any arbitration proceedings.
17. **Counterparts.** This Agreement may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

Transferor: **BRIAN E. STROUP AND KIMBERLY E. STROUP**



Date: 11-8-2016



Date: 11-8-2016

Transferee(s): **CARRIE RENAE DEBOER**

By: 

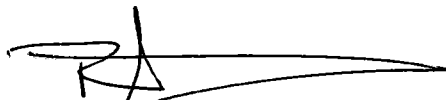
Date: 11-8-2016

Stearns Lending, LLC

By: **NICHOLAS J. NYLAND**

Title: SVP, Credit Policy

STAMP
THE HOWARD
PUBLIC- OREGON
N NO. 944002
OCTOBER 10, 2016



Brian E. Stroup



Kimberly E. Stroup

State of Oregon } ss
County of Klamath }

On this 8th day of November, 2016, before me, Stacy Howard, a
Notary Public in and for said state, personally appeared ~~Brian E. Stroup and Kimberly~~
E. Stroup, known or identified to me to be the person(s) whose name(s) is (are)
subscribed to the within Instrument and acknowledged to me that he/she (they)
executed same.

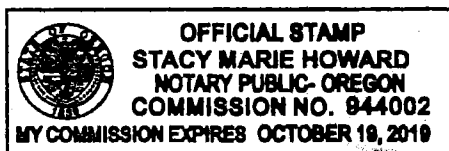
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the
day and year in this certificate first above written.



Notary Public for the State of Oregon

Residing at: Klamath County

Commission Expires: 10-19-19





Carrie Renae DeBoer

State of Oregon } ss
County of Klamath }

On this 8th day of November, 2016, before me, Stacy Howard, a
Notary Public in and for said state, personally appeared Carrie Renae DeBoer, known
or identified to me to be the person(s) whose name(s) (is) are subscribed to the within
Instrument and acknowledged to me that he (she) they executed same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the
day and year in this certificate first above written.



Notary Public for the State of Oregon

Residing at: Klamath County

Commission Expires: 10-19-19

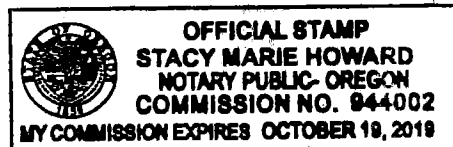


EXHIBIT 1

EXHIBIT 1

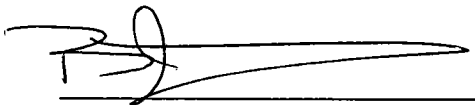
Loan Number: 0003492717/4099913180

Borrower: **CARRIE RENAE DEBOER**

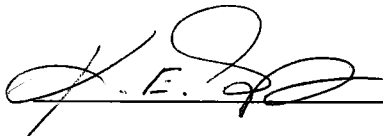
Principal balance as of : \$ 144,220.26

Escrow Balance as of : \$1,302.14

Transferor: **BRIAN E. STROUP AND KIMBERLY E. STROUP**



Date: 11-8-2016



Date: 11-8-2016

Transferee(s): **CARRIE RENAE DEBOER**

By: 

Date: 11-8-2016

Stearns Lending, LLC

By: Nicholas J. Nyland

Date: October 17, 2016



Stearns*

Stearns Lending

ASSIGNMENT OF ESCROW ACCOUNT AND INSURANCE POLICY(IES)

Loan Number: 0003492717

Date: October 17, 2016

Transferor(s): BRIAN E. STROUP AND KIMBERLY E. STROUP

Transferee(s): CARRIE RENAE DEBOER

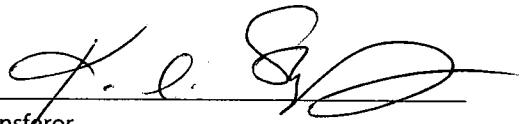
Property: 4702 SUMMERS LANE, KLAMATH FALLS, OR 97603

The property securing the payment of the above-captioned loan has been sold by the undersigned to the Transferee(s) named above.

In making settlement, consideration was given to the proration of the fire and extended coverage insurance.

In view of the foregoing, the undersigned release any and all claims in and to said fire and extended coverage insurance policy and any benefits accruing therefrom and hereby authorize the transfer and assignment of the same to the account of said Transferee(s).

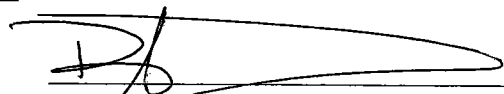
Acknowledged and signed this the 8th day of November, 20 16


- Transferor

In making settlement, consideration was given to the amounts of deposit held by STEARNS LENDING, LLC for payment of taxes, insurance, etc....

In view of the foregoing, the undersigned release any and all claims in and to such deposits and any benefits accruing therefrom and hereby authorize the transfer of the same to the account of said Transferee(s).

Acknowledged and signed this the 8th day of November, 20 16


- Transferor